

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:

ALTERA INFRASTRUCTURE L.P., *et al.*,¹

Debtors.

)
) Chapter 11
)
) Case No. 22-90130 (MI)
)
) (Jointly Administered)
)

**OFFICIAL COMMITTEE OF UNSECURED CREDITORS' STATEMENT IN
SUPPORT OF CONFIRMATION OF SECOND AMENDED JOINT CHAPTER 11 PLAN
OF REORGANIZATION OF ALTERA INFRASTRUCTURE L.P.
AND ITS DEBTOR AFFILIATES**

(Related Docket No. 440)

The Official Committee of Unsecured Creditors (the “Committee”) of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) in the above-captioned chapter 11 cases (the “Chapter 11 Cases”) hereby files this statement (the “Statement”) in support of confirmation of the *Second Amended Joint Chapter 11 Plan of Altera Infrastructure L.P. and its Debtor Affiliates* [Docket No. 440] (as may be amended, the “Plan”).² In support of this Statement, the Committee respectfully states as follows:

1. Since its appointment on August 22, 2022, the Committee and its professionals have undertaken an immediate and intensive investigation of the circumstances preceding and surrounding the commencement of the Debtors’ bankruptcy cases and have analyzed potential claims against the Debtors’ equity sponsor, Brookfield Business Partners L.P. and its affiliates

¹ A complete list of each of the Debtors in these Chapter 11 Cases may be obtained on the website of the Debtors’ proposed claims and noticing agent at <https://cases.stretto.com/Altera>. The location of Debtor Altera Infrastructure L.P.’s principal place of business and the Debtors’ service address in these Chapter 11 Cases is Altera House, Unit 3, Prospect Park, Prospect Road, Arnhall Business Park, Westhill, AB32 6FJ, United Kingdom.

² A capitalized term used but not defined herein shall have the meaning ascribed to it in the Plan.

(“Brookfield”), and completed an examination of the liens asserted on the Debtors’ property by Brookfield and other lenders. The Committee’s investigation involved the review of thousands of pages of documents and obtaining deposition testimony.

2. On September 28 and 29, 2022, the Committee and its professionals, together with representatives of the Debtors, Brookfield, the coordinating committee of the Debtors’ secured bank lenders, and an ad hoc group of certain noteholders (the “Ad Hoc Noteholders Group”), participated in mediation sessions with the Honorable David R. Jones serving as mediator.

3. The mediation was successful. After extensive negotiations, a global settlement was reached that provides that holders of claims in Class 8 of the Plan, i.e., Altera Unsecured Notes Claims and other General Unsecured Claims against Altera Parent and Altera Finance Corp., receive (i) a pro rata share of thirteen percent (13%) of new common equity (the “New Common Stock”) in Altera Parent, after it is reorganized through the Plan, and (ii) certain minority equity holder protections, as described in the Plan. The Committee believes that this resolution represents a significant improvement over the initially-proposed Plan treatment of Class 8 creditors, which were slated to receive 5-year warrants convertible into a portion of 7.6% of New Common Stock (the “New Warrants”). The Committee believed that the New Warrants, as initially proposed by the Debtors, held little or no value for Class 8 unsecured creditors. Because the settlement implemented through the Plan represents a substantial increase in the distribution to Class 8 creditors, the Committee supports confirmation of the Plan.

4. Over the past few weeks, the Committee, the Ad Hoc Noteholders Group and their respective professionals have worked to ensure that the transactional documents through which certain aspects of the Plan will be implemented accurately reflect the mediated settlement.

5. Until the Plan becomes effective, the Committee will continue in its fiduciary role to ensure that the interests of unsecured creditors are paramount as the Plan is consummated.

WHEREFORE, the Committee respectfully requests that the Court (i) confirm the Plan and (ii) grant such other and further relief as may be just and proper under the circumstances.

Dated: November 2, 2022

Respectfully submitted,

PACHULSKI STANG ZIEHL & JONES LLP

/s/ Michael D. Warner

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CERTIFICATE OF SERVICE

I certify that on November 2, 2022, a true and correct copy of the foregoing pleading was served by the Bankruptcy Court's CM/ECF to all parties that are registered to receive such notice in the above cases.

/s/ Michael D. Warner

Michael D. Warner